



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

July 20, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#20 JULY 20, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**COST RECOVERY AGREEMENT FOR VARIOUS SPECIAL-USE PERMITS WITH
THE UNITED STATES DEPARTMENT OF AGRICULTURE, FOREST SERVICE, ANGELES
NATIONAL FOREST
(SUPERVISORIAL DISTRICTS 3 AND 5)
(3 VOTES)**

SUBJECT

Authorize the Director of Public Works or her designee to enter into a Cost Recovery Agreement for a ten-year term to reimburse the United States Department of Agriculture, Forest Service, Angeles National Forest, for its costs in processing applications for special-use permits submitted by the County of Los Angeles Department of Public Works on behalf of the County of Los Angeles, the Los Angeles County Flood Control District, and the Los Angeles County Waterworks Districts, for the use of various sites within the United States Department of Agriculture, Forest Service's jurisdiction.

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY OF THE THE
LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, THE GOVERNING BODY OF THE LOS
ANGELES COUNTY WATERWORKS DISTRICTS, AND THE GOVERNING BODY OF THE
COUNTY OF LOS ANGELES:**

1. Approve and authorize the Director of Public Works or her designee to enter into a Cost Recovery Agreement between the United States Department of Agriculture, Forest Service, Angeles National Forest, and the County of Los Angeles, the Los Angeles County Flood Control District, and the Los Angeles County Waterworks Districts, in the total estimated annual amount of \$120,000 or \$1,200,000 over the ten-year term, subject to adjustments by the United States Department of Agriculture, Forest Service, Angeles National Forest, based on actual time spent.

2. Authorize the Director of Public Works or her designee to increase the payment to the United States Department of Agriculture, Forest Service, Angeles National Forest, pursuant to the Cost Recovery Agreement, up to a maximum of \$1,500,000 over the ten-year term to cover any excess hours required for processing or monitoring pursuant to Federal laws.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to authorize the Director of Public Works or her designee to enter into a Cost Recovery Agreement (Agreement), in a form approved by County Counsel, with the United States Department of Agriculture, Forest Service, Angeles National Forest (Forest Service).

The County of Los Angeles Department of Public Works (Public Works), on behalf of the County of Los Angeles, the Los Angeles County Flood Control District, and the Los Angeles County Waterworks Districts has entered into permits, or may apply for future permits, for the right to use and maintain land owned and controlled by the Forest Service in the Angeles National Forest. These existing permits are for various purposes, including roads, flood control facilities, waterworks facilities, and other uses. Future activities requiring Forest Service authorization will include applications for construction projects, maintenance activities, and permit renewals or amendments. The Forest Service incurs costs in processing the applications for and overseeing and managing these permits.

Pursuant to a recent Federal law, the Forest Service is now required to recover upfront all costs that it incurs reviewing current special-use permits and submitted applications, conducting environmental analyses, application authorizations, and the issuance of permits. The Forest Service estimates the processing costs for collective applications by Public Works to be approximately \$120,000 annually, or \$1,200,000 over the ten year term. Should the actual costs exceed the estimated fees, the Forest Service, by law, reserves the right to bill for the additional cost. The recommendation herein allows the entities to increase the payment, up to a maximum of \$30,000 per year and \$1,500,000 over the ten-year term, if excess hours are needed to process or monitor the permits. These fees cover all current and expected applications by Public Works during the term.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs that we maximize the effectiveness of the County's processes to support timely and efficient public services (Goal 1) and that we ensure committed efforts to maintain and improve the safety and security of the people in the County of Los Angeles (Goal 5). The recommended Board actions will support these goals by allowing Public Works to improve and maintain facilities on behalf of the County and various special districts in the Angeles National Forest in a timely and effective manner.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The estimated cost of the proposed Agreement is \$120,000 annually or a total of \$1,200,000 over

the ten-year term of the Agreement. Sufficient funding is available in various Public Works Fiscal Year 2010-11 Fund Budgets to cover the fees for the first year of the proposed Agreement. Funds to finance future years and the possible additional costs of \$30,000 annually will be incorporated into the annual budget process. Public Works will apply for reimbursement for eligible emergency or disaster-related projects from the Federal Highway Administration or the Federal Emergency Management Agency.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On September 8, 2009, Item 16, the Board authorized the Chief Executive Officer to enter into an agreement with the Forest Service. However, your prior action did not include all of the facilities that are currently operated and/or maintained under the special-use permits that are currently in place between Public Works, the Flood Control District, the Waterworks Districts, and the Forest Service. Additionally, Public Works, and not the Chief Executive Office, routinely processes matters with the Forest Service regarding these existing facilities. Therefore, it is necessary to enter into this Agreement.

The proposed Agreement will compensate the Forest Service for providing permit management, environmental analyses, and project authorization services for applications submitted by Public Works on behalf of the County of Los Angeles, the Los Angeles County Flood Control District, and the Los Angeles County Waterworks Districts, to operate and maintain specified facilities in the Angeles National Forest. The proposed Agreement contains the following provisions:

- Fees for the first year to be paid quarterly and subsequent estimated processing fees to be paid within 30 days from billing.
- Statement of actual costs to be provided annually by the Forest Service. Overpayment or underpayment to be refunded or paid annually.
- An appeal process for the County to follow when it disputes the processing fee determined by the Forest Service's authorized officer. This dispute resolution process does not extend beyond the immediate supervisor of the Forest Service's authorized officer.
- The Agreement will expire in January 2020 and may be cancelled by either party at any time.

ENVIRONMENTAL DOCUMENTATION

The proposed Agreement is not a project pursuant to the California Environmental Quality Act (CEQA) because it constitutes an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. The proposed action would create a government funding mechanism that does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment.

For new permit applications, the proposed projects will be evaluated for compliance with CEQA. Additionally, the Forest Service will require environmental analysis under Federal laws for all new applications, to be prepared under its supervision.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Agreement will enhance Public Works' ability to receive Forest Service approval of our activities that involve the construction, operation, and/or maintenance of specified types of facilities in the Angeles National Forest. The maintenance that is performed by Public Works is carried out under existing special-use permits with the Forest Service for the various types of facilities currently in place.

CONCLUSION

Please return one adopted copy of this letter to Public Works, Programs Development Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:SA:re

c: Chief Executive Office
County Counsel
Executive Office